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June 29, 2006

BY OVERNIGHT DELIVERY AND E-FILE

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station
Boston, MA 02110

Re: Bay State Gas Company, D.T.E. 06-31

Dear Ms. Cottrell:

Enclosed for filing, on behalf of Bay State Gas Company ("Bay State"), please find Bay State's responses to the following Information Requests:

From the UWUA:

UWUA-1-5 UWUA-2-8

Please do not hesitate to telephone me with any questions whatsoever.

Very truly yours,

Patricia M. French

cc: Paul Osborne (DTE)
 A. John Sullivan (DTE)
 Alexander Cochis, Assistant Attorney General (4 copies)
 Charles Harak, Esq. (UWUA)
 Nicole Horberg Decter, Esq. (USW)
 John K. Habib, Esq. (NSTAR)
 James Avery, Esq. (Berkshire Gas Company)

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE
FIRST SET OF INFORMATION REQUESTS FROM UWUA LOCAL 273
D.T.E. 06-31

Date: June 29, 2006

Responsible: Stephen H. Bryant, President

- UWUA 1-5:
- (a) Please provide a summary table, organized by company and function within the company (e.g., telephone service/customer service, billing, etc.) of any all employees of Bay State, NiSource or any NiSource affiliate or subsidiary who have been laid off, offered early severance, relocated or reclassified (collectively, "change of status"), where the change of status is a result of or in any way connected with the signing of the agreement with IBM outsourcing agreement (or agreement with any subsidiary or related vendor) and implementation of that agreement (or agreements). Where employees have been relocated or offered relocation, please include both the employee's then-current location and the offered or actual place of relocation (e.g. "10 customer service reps then located in XXXX relocated or offered relocation to YYYY.")
 - (b) Please provide a similar summary table, but showing projected change of status for the period June 14, 2006 to June 30, 2008.
 - (c) Please provide the number of employees, whether direct Bay State/NiSource employees or employed by IBM or any of its sub-contractors or vendors, added at any location or to any function (e.g., call center, billing), as a result or in any way connected with the signing of the IBM outsourcing agreement (or agreement with any subsidiary or related vendor), including the date, location and job function of any such additions. Also include a summary of any such changes planned for the period June 14, 2006 to June 30, 2008.

RESPONSE:

- (a) Please see Attachment UWUA 01-05 for a table summarizing all NiSource Corporate Service Company ("NCSC") employees who were located in New England and providing services to Bay State and / or Northern Utilities who were either terminated or reassigned (i.e., rebadged) as a result of the Company's transformation initiative in 2005, including the IBM Outsourcing initiative. No Bay State employees were specifically affected by this initiative. Additional research is necessary to identify all other non-New England NCSC employees affected by the IBM Outsourcing initiative, and will be provided as soon as it is available.

- (b) Bay State chooses not to speculate on how employee status may change between now and June 30, 2008, until a decision is made regarding IBM's proposal to perform certain business processes that are currently performed by Bay State employees. This decision is on hold during the pendency of this proceeding. Given this uncertainty, a staffing prediction would be speculative.
- (c) Neither Bay State nor NiSource Corporate Service Company employees located in New England have been added to serve Bay State's business functions. See the Company's response to (b) above for why Bay State chooses not to speculate on future staffing additions. Information regarding additional IBM employees located in New England who are added to serve Bay State functions is neither readily available nor relevant. A majority of IBM billings is transactional based. Therefore, any comparison between Bay State's employment that is based on hourly wages for full-time employees and IBM's transactional-based business is meaningless.

**NCSC Employees Located in New England
Terminated or Rebadged
2005 - 2006**

Name	Co	Action	Reason	Eff Date	Job Title	Department	Location
Archibald, Louise A	012	TER	Rebadged to IBM	07/01/05	Senior Buyer/Planner	Mats&Srvc Distribution	BrocktonMA Op Ctr
Calarese, Joan M	012	TER	Rebadged to IBM	07/01/05	Lead Technology/Support Analyst	Client Services	BrocktonMA Op Ctr
Cruikshank, Pamela J	012	TER	Rebadged to IBM	07/01/05	Tech Supt Analyst	Client Services	BrocktonMA Op Ctr
MacLennan, Fredric L	012	TER	Rebadged to IBM	07/01/05	Lead Network Engineer	Network Services	BrocktonMA Op Ctr
Larimore, David E	012	TER	Rebadged to IBM	07/01/05	Sr Network Engineer	Network Services	BrocktonMA Op Ctr
Pike, Maureen E	012	TER	Termed	01/01/06	Human Resource Consultant	HR BSG/NU	BrocktonMA Op Ctr
Major, Brian M	012	TER	Rebadged to IBM	07/01/05	Sr Analyst/Programmer	Real Time	Ludlow MA-LNG Pit
Fioravanti, Brian J	012	TER	Rebadged to IBM	07/01/05	Sr Analyst/Programmer	Real Time	Ludlow MA-LNG Pit
Proctor, Frank W	012	TER	Rebadged to IBM	07/01/05	Tech Supt Analyst	Client Services	Portsmouth NH-Op Ctr
Kady JR, Paul D	012	TER	Termed	12/17/05	Retail Sales Representative	Retail Services Sales Center	Portsmouth NH-Op Ctr
Lopez, David	012	TER	Termed	12/17/05	Retail Sales Representative	Retail Services Sales Center	Portsmouth NH-Op Ctr
Nesbit, Colin	012	TER	Rebadged to IBM	11/01/05	Budget Supv	EDG Budgets	Portsmouth NH-Op Ctr
Liquori, Helen A	012	TER	Rebadged to IBM	07/01/05	CIS Tester	Customer System Mgmt Maint	Portsmouth NH-Op Ctr
Smith, Laurel J	012	TER	Termed	12/17/05	Retail Sales Representative	Retail Services Sales Center	Portsmouth NH-Op Ctr
Meccariello, Lawrence	012	TER	Rebadged to IBM	07/01/05	Sr Network Specialist	Network Services	Springfield MA-Op Ctr
Trowbridge, Richard M	012	TER	Rebadged to IBM	07/01/05	Tech Supt Analyst	Client Services	Springfield MA-Op Ctr
Dupuy, Douglas P	012	TER	Termed	01/01/06	Team Ldr IT	Client Services	Westborough MA-Hqtr
Sottile, Steven M	012	TER	Rebadged to IBM	07/01/05	Sr Network Engineer	Network Services	Westborough MA-Hqtr
McDonnell, Robert C	012	TER	Rebadged to IBM	07/01/05	Sr System Engineer	Distributed Computing	Westborough MA-Hqtr
Forbes, Michael S	012	TER	Rebadged to IBM	07/01/05	Tech Supt Analyst	Client Services	Westborough MA-Hqtr
Wills, Clarence J	012	TER	Rebadged to IBM	11/01/05	Operations Performance Analyst	EDG Budgets	Westborough MA-Hqtr
Doyle-Winslow, Kathleen A	012	TER	Termed	01/01/06	Sr Analyst/Programmer	Work Management	Westborough MA-Hqtr
Gittins, Kathy A	012	TER	Rebadged to IBM	11/01/05	Sr Budget Analyst	EDG Budgets	Westborough MA-Hqtr
Henderson, Matthew	012	TER	Rebadged to IBM	07/01/05	Lead Analyst Programmer	Work Management	Westborough MA-Hqtr
El-Husayni, Hani A	012	TER	Rebadged to IBM	07/01/05	Lead Analyst Programmer	Work Management	Westborough MA-Hqtr
Nooran, Hassan	012	TER	Termed	01/01/06	Sr Techlgy Supt Analyst	Client Services	Westborough MA-Hqtr

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE
SECOND SET OF INFORMATION REQUESTS FROM UWUA LOCAL 273
D.T.E. 06-31

Date: June 29, 2006

Responsible: Stephen H. Bryant, President

UWUA 2-8: (Exh. BSG-1, pp. 19 - 20)

Had the DTE not ruled as it did in DTE 05-27, regarding the opening of this docket and the statements it made about staffing levels and Bay State's relationship with NiSource, would there have been any staff reductions (whether already implemented or scheduled) at the Springfield customer contact center, within the Credit and Collections functions handled at the Springfield Operations Center, at the Billing Exceptions Group located in Brockton, at the Brockton Logistics Center, or at the Demand Side Management Group? If there would have been any staff reductions (actual or scheduled), please list the numbers of positions at each group, function or location listed above that would have been eliminated or relocated, and the date that this would have occurred.

RESPONSE: The Company has expressed its commitment to negotiate with the relevant unions over the decision to outsource customer contact, credit & collections and billing exceptions work of bargaining unit employees. Because these negotiations have been suspended until the conclusion of this proceeding, the Company is not in a position to speculate as to whether or not staffing reductions would have taken place if the Department had not ruled as it did in D.T.E. 05-27, regarding the opening of this docket and the statements it made about staffing levels and Bay State's relationship with NiSource.